

POSTED
7/23/97

ORIGINAL

PUBLIC SERVICE COMMISSION
RECEIVED
JUL 23 1997

TESTIMONY OF WILLIAM O. RICHARDSON

FOR

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 96-376-S

IN RE: PALMETTO UTILITIES, INC.

Q. WOULD YOU PLEASE STATE YOUR NAME, ADDRESS AND
OCCUPATION?

A. William O. Richardson, 111 Doctors Circle, Columbia,
South Carolina. I am employed by The Public Service
Commission of South Carolina, Utilities Department as
a Utilities Engineer Associate II.

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND
EXPERIENCE.

A. I received a B.S. Degree in Electrical and Computer
Engineering from Clemson University in 1975. I was
employed, upon graduation, by Daniel Construction
Company as an Electrical Engineer in the Power
Division. In 1978 I was employed by this Commission
as a Utilities Engineer Associate II. I have attended
various courses and seminars related to engineering,
life analysis and accounting relationships and have
testified before this Commission in other proceedings.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY INVOLVING

1 **PALMETTO UTILITIES, INC.?**

2 **A.** The purpose of my testimony is to set forth, in
3 summary form, the Staff's findings relative to the
4 determination of the amount of additional operating
5 revenues that would result from the operation of the
6 proposed schedules of rates and charges and Staff's
7 field investigation of service supplied by the
8 Company.

9 **Q.** I SHOW YOU THE REPORT, TITLED, "COMMISSION STAFF
10 REPORT, PALMETTO UTILITIES, INC. PUBLIC SERVICE
11 COMMISSION OF SOUTH CAROLINA, DOCKET NO. 96-376-S."
12 ARE THE FINDINGS OF YOUR REVIEW CONTAINED IN THIS
13 REPORT?

14 **A.** Yes, they are contained under the Utilities Department
15 tab.

16 **Q.** WOULD YOU PLEASE EXPLAIN HOW YOU COMPILED THE
17 INFORMATION IN YOUR REPORT?

18 **A.** By using the information provided by the Company in
19 the Application, the Company's prefiled testimony and
20 exhibits and an audit of the Company's books, Staff
21 was able to determine the amount of additional
22 revenues which would be produced by the proposed rates
23 and charges.

24 **Q.** WOULD YOU PLEASE EXPLAIN EXHIBIT NO. 1 OF YOUR REPORT?

25 **A.** Exhibit No. 1 is a summary of the Staff's review of

1 the present and proposed rates and charges. Following
2 the summary is the full schedule of proposed rates and
3 charges as filed by the Company. Following the
4 proposed rates and charges are the present rates and
5 charges as approved by the Commission.

6 **Q. WOULD YOU PLEASE EXPLAIN EXHIBIT NO. 2 OF YOUR REPORT?**

7 **A.** Exhibit No. 2 summarizes the effect of the proposed
8 rates and charges on the Company's operating revenue
9 using the approved rates and charges and the number of
10 bills during the test year. The Company had
11 approximately 2765 residential customers and 9
12 commercial customers during the test year.

13 **Q. WOULD YOU PLEASE EXPLAIN EXHIBIT NO. 3 OF YOUR**
14 **REPORT?**

15 **A.** Exhibit No. 3 summarizes the effect of the proposed
16 rates on a customer's bill, both residential and
17 commercial class. The proposed rates will cause the
18 Palmetto Utilities, Inc. customer's bill to increase
19 \$3.00 or 12.77%. For Commercial customers, the rate
20 will increase \$3.00 or 12.77% per Single Family
21 Equivalent (SFE).

22 **Q. WOULD YOU PLEASE EXPLAIN EXHIBIT NO. 4?**

23 **A.** Exhibit No. 4 is the most recent Utilities Business
24 Office Compliance Review Report conducted by the Staff
25 for Palmetto Utilities, Inc.

1 Q. WOULD YOU EXPLAIN EXHIBIT NO. 5 OF YOUR REPORT?

2 A. Exhibit No. 5 contains the results of Staff's
3 Inspection of the wastewater treatment facilities
4 owned and operated by Palmetto Utilities, Inc..

5 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

6 A. Yes, it does.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25